

IN THE _____

_____ CONCURRENT RESOLUTION _____

BY _____

1 A CONCURRENT RESOLUTION
2 STATING FINDINGS OF THE LEGISLATURE, ADOPTING A STATE EMPLOYEE COMPENSATION
3 POLICY, ADOPTING FUNDING RECOMMENDATIONS, AND DIRECTING IMPLEMENTATION OF
4 COMPENSATION POLICIES.

5 Be It Resolved by the Legislature of the State of Idaho:

6 WHEREAS, the Legislature has by law provided that the Governor and
7 Division of Human Resources report to the Legislature their recommendations
8 for proposed pay policies, together with the estimated costs thereof; and

9 WHEREAS, the Legislature has received and reviewed the report of the
10 Governor dated January 7, 2008, and the report of the Division of Human
11 Resources dated December 1, 2007.

12 NOW, THEREFORE BE IT RESOLVED by the members of the Second Regular
13 Session of the Fifty-ninth Idaho Legislature, the Senate and the House of
14 Representatives concurring therein, that:

15 1. It is the policy of the State of Idaho to provide a total compensation
16 system that attracts, retains and recognizes state employees for their
17 valuable service. The foundation of this system is to pay competitive
18 job market average salaries, reward performance with a merit based
19 compensation philosophy, and a quality benefits package.
20

21 2. The Change in Employee Compensation Committee recommends no adjustments
22 be made to the current payline or compensation structure.
23

24 3. The committee recommends the following for state employee merit
25 increase component:

26 (a) The Joint Finance Appropriations Committee is directed to provide
27 funding for a 3% increase to be distributed as follows:

28 (1) Agencies and institutions are first directed to allocate to all
29 eligible state employees a 1% salary increase.

30 (2) Agencies and institutions are required to review and target any
31 needed funding, based on merit, toward high turnover
32 classifications, individuals below midpoint within their agency, and
33 individuals below ninety percent of the Compa-Ratio.

34 (3) Agencies and institutions are directed to target any remaining
35 funding based on merit using the merit matrix required by Idaho
36 Code.
37

38 4. The committee recommends the following for active state employee
39 benefit package:

40 (a) The Joint Finance Appropriations Committee is directed to provide
41 funding of \$8,700 per full-time equivalent position for the employer

1 portion of the benefit premiums. The Department of Administration is
2 directed to collect no more than \$16,400,000, equivalent to a 29% total
3 employee premium increase for premiums from active state employees.

4 (b) State agencies and institutions are directed to remit all state
5 funding for health insurance included in the appropriations for
6 employees eligible to be enrolled in health insurance to the group
7 insurance account created in 67-5771, Idaho Code.

8 (c) The Department of Administration is directed to institute an
9 additional insurance plan option in order to provide state employees a
10 choice that better meets the employee's individual needs and benefit
11 coverage desires. The third plan must maintain premiums at the 2008
12 premiums cost for both the employer and the employee.

13 (d) The Department of Administration is further directed to maintain
14 the current active employee insurance plans with benefits substantially
15 similar to current benefits coverage. If the Department of
16 Administration is unable to maintain substantially similar coverage
17 within the FY 2009 benefit funding designated in section 4(a) above,
18 the Department shall notify both the Change in Employee Compensation
19 Committee and the Joint-Finance and Appropriations Committee of the
20 changes required to maintain the current insurance plans within the
21 benefit funding amounts.

22 (e) The Change in Employee Compensation committee recognizes that there
23 are current subsidies within the active employee plans as well as
24 within the active employee premium charges. In order to start to
25 reverse the internal subsidies between benefit election categories, the
26 Department of Administration shall cover all eligible active personnel
27 only, without charging a premium; and as a condition of employment all
28 active personnel shall accept health insurance coverage or provide
29 evidence of a comparable alternative health insurance plan. The
30 Department of Administration shall be given the appropriate flexibility
31 to accomplish other inequities within the active employee insurance
32 plans that are deemed appropriate by the Director.
33

34 5. The committee further recommends that elected officials, judges, and
35 commissioners be treated in a similar manner as state employees.
36

37 6. Agencies and institutions shall create compensation and distributions
38 plans to ensure they are consistent with the policies contained herein.
39 Agency directors and institutional presidents shall approve all
40 compensation and distribution plans and ensure that implementation of
41 the plans are consistent with policies contained herein. Each agency
42 and institution shall forward, for informational purposes only, copies
43 of the agency approved compensation and distribution plans to the
44 Legislative Services Office and the Division of Financial Management by
45 June 1, 2008.
46

47 7. For fiscal year 2009 agencies and institutions are hereby directed to
48 allocate salary savings to provide for employee salary needs based on
49 performance, before other operational budget priorities are considered.
50 Where applicable, employees whose salaries are below midpoint of their
51 pay grade or occupational groups with significant turnover shall be
52 considered first in the order of salary savings distributions.
53

1 8. The effective date of implementation of ongoing salary adjustments
2 shall be June 15, 2008.

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4 BE IT FURTHER RESOLVED that appropriations measures to fund non-
5 classified employees be prepared in as nearly as possible the same manner as
6 for classified employees.